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SUBJECT: MARIJAMPOLE COUNTY: LITHUANIA'S GOOD COUNTRY
LIVING

1. SUMMARY: Top officials in one of Lithuania's most sparsely populated counties told the Ambassador that the local economy in Marijampole is doing well. Unemployment is low and skilled labor talented, but a U.S. employer finds it hard to fill jobs. The students in this rural region study English with hopes of U.S. travel, study, and employment. The county hosts a national military logistics unit, some of whose troops have deployed to support allied objectives in Iraq and Afghanistan. Local officials recognize they need to attract more investors if they hope to retain their current level of prosperity and good, clean, country living. END SUMMARY.

2. The Ambassador visited the southern city of Marijampole on September 13 as part of his continuing outreach program to Lithuania's regions. The Ambassador spoke with local television and print media and both local and national press carried stories on the visit.

ECONOMY DOING WELL, BUT EMIGRATION A PROBLEM

3. Governor Albinas Mitrulevicius of Marijampole County (population 168,000) and Mayor Vidmantas Brazys of the City of Marijampole (population 48,000) told the Ambassador that the region's economy has done well in the years since independence. Unemployment in this mostly rural county of only 6.2 percent is significantly less than the national average (10.2 percent). Along Mariampole's clean, tree-lined streets were numerous construction sites and signs of economic activity. The governor said that the planned Via Baltica motorway, which will connect the three Baltic countries and Poland and will run through Marijampole, will be an economic boon for the county. The mayor grumbled a bit about the EU, noting that many in this agricultural area are disgruntled that farmers in other EU countries like Germany receive larger subsidies than they do. That EU red tape hampered the distribution of aid to some victims of recent flooding in the region also made local residents unhappy. Both officials noted that emigration is a problem and that too many talented Lithuanians from the region have left to seek their fortunes elsewhere, especially in Ireland and England.

HIGH SCHOOL SENIORS WANT TO STUDY IN THE U.S.A.

4. The senior class of a local high school, famous for producing some of the country's most renowned linguistic scholars, poets, and several of the architects and defenders of Lithuania's independence, told the Ambassador of their keen interest in the United States. In exceptional English, they asked him about opportunities for Lithuanians to study and work in the United States and inquired about American students in Lithuania, American university curricula, U.S. salaries, and U.S. basketball. One student asked about Hurricane Katrina.

U.S. QUALITY AUTO PARTS MADE IN MARIJAMPOLE

5. The Ambassador toured the Marijampole facility of Waukegan, Illinois-based Peer Corporation. The plant both forges and machines auto parts, mainly alternator rotors, for U.S. and European automobile manufacturers. Peer purchased an existing set of buildings in 1999 and began production in 2001 with five employees. The company has invested LTL 17 million (USD 6 million) in the facility and has doubled production every year, now employing 80 people. Peer's Vice President Leo Algminas told the Ambassador that, although the company produces high quality products, a recent 30-percent hike in supply costs threatens Peer's profits. Algminas also lamented that Peer's higher-than-average wages do not seem to be stopping a region-wide brain-drain. Peer and other employers are already having trouble filling job vacancies. For next year, the company wants to triple this year's output of LTL 3.4 million (USD 1.2 million), but is having difficulty hiring the 15 skilled employees it needs to do so.

LOGISTICS BATTALION: FROM MARIJAMPOLE TO AFGHANISTAN

16. The Ambassador visited the Grand Duke Vytenis Main Support Logistics Battalion in Marijampole. This unit, eight of whose members currently serve in the Lithuanian-led Provincial Reconstruction Team (PRT) in Ghawr Province, Afghanistan, is the logistical backbone of the entire Lithuanian military. The Ambassador commended the soldiers for their service to their country and thanked them for Lithuania's participation in coalition missions in Afghanistan and Iraq. Touring the base, the Ambassador reviewed some of the battalion's capabilities, including its portable water-purification system, and the battalion showed the Ambassador equipment of the type the PRT is using in Afghanistan.

COMMENT

17. Many parts of rural Lithuania suffer from obvious poverty and neglect, but Marijampole, with its small-town charm and apparently healthy economy, does not appear to be share those problems. The area's leaders will have their hands full, however, trying to figure out how to keep youth from heading toward EU or U.S. jobs. The officials we spoke with seem to believe that the Via Baltica will put Marijampole squarely on the EU map and enhance the area's economic attractiveness. It might, however, simply make it easier for the county's youth to drive west.

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